



Policy Memo	
KDHE-DHCF POLICY NO: 2019-11-01	From: Erin Kelley, Senior Manager
Date: November 22, 2019 Revised December 18, 2019	Medical KEESM Reference: KFMAM Reference:
RE: Implementation of 2020 SSA COLA	Program(s): All Medical Assistance Programs

The purpose of this memo is to provide implementation instructions for the 2020 Social Security Cost of Living Adjustment (COLA) mass change. Social Security announced that recipients of OASDI and SSI benefits will receive a 1.6% increase in benefit levels for 2020. The Medicare Part B premium will also be adjusted for some individuals. These increases are effective January 1, 2020, however, the COLA Batch will run in KEES for February 2020 benefits. As a result, Medicaid eligibility must be redetermined for all recipients who receive these benefits.

1. BACKGROUND

This change is expected to impact over 80,000 Medicaid recipients and household members who receive SSI or Social Security benefits. To effect the changes related to the COLA, KEES will execute a mass update over the weekend of December 20, 2019. The mass change process systematically computes and budgets new income amounts, benefit levels and other changes related to the COLA. The systematic update will allow for more efficient processing and will also enable staff to focus manual effort on high priority cases. This memo provides information and instruction for both the automated updates, as well as, manual processing that may be necessary in order to accurately redetermine coverage and benefit levels.

2. KEES UPDATES

The COLA Mass Change process in KEES will identify and update all cases with new or changing SSI income, medical conditions records, Social Security income amounts, and Medicare expense amounts. Most programs impacted will then be selected for batch EDBC. Note that some programs will be excluded from the batch EDBC, as indicated below. Only those programs that have a change identified because of the COLA changes will be processed; programs that are not impacted by the COLA will not be redetermined. Pending program blocks will not be impacted.

A. Mass Change Components

The following components are included as part of the KEES Mass Change process:

- Social Security income change
- KEES tables updated with new limits
- Update SSI income Records from the SDX COLA file
- Create Medical Condition Records
- Other Income and Medicare Expense Changes
- Batch EDBC – recalculating benefits
- Coordination with Reviews
- Generate Notices – Delayed Mailing
- Facility and LTC Provider Notification Process
- Manual Processes required for incorrect cases

B. Data Clean-up

Keep in mind that data in KEES will significantly impact the outcome of the resulting redetermination. Programs that have not undergone conversion cleanup since KEES implementation, have experienced an overridden EDBC or have incomplete data records may be adversely impacted by the mass change and will require special attention. These include programs with overdue action. When COLA runs, the determination may fail and result in manual work on the part of staff to ensure proper coverage is issued.

A significant number of cases have been identified for Pre-COLA Clean-Up work designed to target specific issues. These reports are used to identify cases where an incorrect outcome is likely. However, in order to minimize the negative or unexpected impact of a large batch job, it is crucial that staff follow instructions issued by KDHE Policy, KEES User Manual, and the KEES HelpDesk when processing cases in KEES.

Anytime a case is identified for manual clean up, both Pre-COLA and Post-COLA, staff should strive to take action on any outstanding tasks or issues tied to the case.

3. SSI CHANGES

Social Security will adjust SSI benefit levels by 1.6% for individuals and couples beginning January 1, 2020. The following are the new benefit amounts:

Type	Previous Benefit	Benefit Eff 01-01-20
Eligible Individual in Own Home	\$771.00	\$783.00
Eligible individual with Spouse in Own Home	\$1,157.00	\$1,175.00

Eligible Individual in Medicaid - Approved Institution	\$30.00	\$30.00
Eligible Individual with Eligible Spouse both in Medicaid – Approved Institution	\$60.00	\$60.00
Eligible Individual in Household of Another	\$514.00	\$ 522.00
Eligible Individual with Eligible Spouse both in Household of Another	\$771.33	\$ 783.33

The 300% SSI Limit for LTC is also adjusted beginning January 1. The limit increases from \$2,313.00 to \$2,349.00.

A. KEES INCOME RECORDS – SSI

As part of the Mass Change process, SSI income records will be automatically updated with information from the SDX COLA file. This file, received from Social Security in late November 2019, provides income amounts for all SSI recipients in the state of Kansas. KEES will use the information to update income information using the rules below.

If a new Income Record is added, it is added with an Income Type of ‘Family Medical’. If it is updating an existing record, the current Income Type will be used. The current record will be automatically end dated with an effective date of 1/31/2020 and the new record will begin 2/1/2020.

Any New Medical Condition is added as ‘SSI – Disabled’. The effective date of the new Medical Condition will be 2/1/2020.

1. PERSON WITH AN ACTIVE SSI INCOME RECORD IN KEES AND A NEW SSI INCOME AMOUNT IS ON THE FILE.

The income amount will be updated with the new income amount detail record effective 2/1/2020.

Note: All of these individuals should be currently eligible with an SSI aid code, no change in coverage level is expected.

2. PERSON WITHOUT BOTH AN ACTIVE SSI INCOME RECORD AND MEDICAL CONDITION RECORD IN KEES AND AN SSI INCOME AMOUNT IS ON THE FILE:

A new SSI income record will be created with an effective date of 2/1/2020. A new Medical Condition of ‘SSI Disabled’ will also be created with an effective date of 2/1/2020.

Note: These are likely new SSI recipients and coverage will be adjusted automatically by the COLA batch.

3. PERSON WITH AN ACTIVE SSI INCOME RECORD IN KEES AND NO SSI RECORD OR AN SSI RECORD INDICATING \$0 INCOME IS ON THE FILE:

No adjustments will be made to the SSI income record for these individuals. A report will be created, and cases must be manually reviewed. These individuals must be reviewed to determine if they are still considered SSI recipients.

Note: These are likely people who will lose eligibility for SSI-related medical.

When processing these cases staff must be sure to consider the policy changes implemented by KDHE Policy Memo 2018-10-02, SSI Termination. Staff must consider if the SSI income change is temporary or permanent, if contact with SSA is necessary or if a new application is required. Staff are encouraged to utilize the desk aid, Eligibility Actions Following Loss of SSI Recipient Status as an aid.

When processing a case on or after November 19th for the benefit month of January 2020, eligibility staff may enter the updated SSI income amount in KEES. This is a change from previous years as logic was added to KEES with the August 2019 release that will consider whether an income amount for 2020 exists and will not apply the COLA increase. For example, SSI income that is verified using the normal verification processes and updated on a case that is processed on November 26th for the month of January 2020 shall be updated by eligibility staff to reflect the new SSI income. Staff shall continue to use the 2019 SSI income amount for months processed prior to the COLA run.

4. SOCIAL SECURITY BENEFIT ADJUSTMENT

Any Social Security benefit amount listed for a current, active program or program person will be automatically updated with the COLA mass change update with an effective date of February 1, 2020. The process will automatically calculate the new Social Security benefit amount based on the amount that is active in KEES. The amount will be increased by the COLA, 1.6% in 2020, and the cents truncated. For programs selected for an EDBC run (see Section 8 below), this amount will be used for subsequent benefit calculations. The following specifics apply to the SSA income adjustment:

- a. The new Social Security income amount will be calculated for each active income record in KEES. This includes individuals who are an active MEM or FRI on an active Program Block in KEES, and persons listed as a Dependent in the Dependents of LTC/Applicant/Member or Dependents of Spouse block on any LTC Data Detail page where the following are true:
 - i. The Name listed on the LTC Data Details page is an Active MEM on an LTC program block,

- ii. The LTC Type is HCBS, Institutional Care, or PACE and the record is either high-dated or lists an end date (i.e. discharge, termination, or disenrollment date) greater than or equal to February 1, 2020,
 - iii. The End Date of the Dependent is high-dated or a date greater than or equal to February 1, 2020,
 - iv. The Dependent has a Household Status of In the Home, Temporarily Out of the Home, or No Household status exists,
 - v. The Date of Death of the Dependent is not Verified, in situations where the Dependent has passed away.
- b. As indicated in section 3.A. above, when processing a case on or after November 19th for the benefit month of January 2020, eligibility staff may enter the updated Social Security income amount in KEES.

COLA is designed to update all SSA records which do not have an effective date of January 2020 or greater. If a case is identified where an update was made to an incorrectly entered income record, the benefit shall be corrected.

- c. If the new COLA amount is not updated and the correct income is not budgeted, an overpayment may result. If this occurs, the case is recorded on the Overpayment Spreadsheet.
- d. For cases processed after the COLA run, the new amount is used for all months of 2020. For example, if processing a new application with a prior medical request received in March, use the 2020 amount beginning January 2020. The 2019 amount is used for December.
- e. In the event a program is missed with the mass COLA SSA update for 2020, staff are responsible for ensuring the income record has been updated with the new amount. Although staff are not required to routinely check all cases for update, if a case is found, the income record must be updated. Income should be obtained through normal verification processes, including TPQY. Or, if a current TPQY is not available immediately following the mass change, staff can calculate the new amount by multiplying the current SSA benefit amount by 1.016 and truncating to the whole dollar. For example, the current benefit amount on KEES is \$895.00. $\$895 \times 1.016 = \909.32 . The amount to be entered in KEES is \$909.00.

5. OTHER INCOME CHANGES – GOVERNMENT PAYMENTS

Other government-issued benefits are also anticipated to increase in 2020. These include changes to Civil Service Retirement benefits, pensions, Veterans Administration benefits, Railroad Retirement benefits, and other unearned income. These changes must be completed and budgeted according to the information below.

A. RAILROAD RETIREMENT BENEFITS

KDHE has requested verification of new benefit amounts from the Railroad Retirement Board (RRB) for consumers receiving these benefits. Once received, the individual benefit letters that verify the new RRB amounts must be imaged to the case with a Document Type of 'Income'. In addition, a new income detail record amount must be created with an effective date according to the date of the action given timely notice requirements. New RRB amounts are to be budgeted no later than March 2020.

Note: The RRB has indicated the information will be provided to KDHE in late January. This means most consumers will have any increase budgeted beginning March 2020. Income may be budgeted earlier if the change is reported by the consumer and it is within timely notice requirements.

B. VETERANS INCOME

KDHE has requested verification of new Veterans benefit levels from the Veterans Administration. However, it is unclear if the VA will provide updated benefit amounts for 2020. If information is received from the VA as a response to the request, the individual benefit letters that verify the new amount are imaged to the case file with a Document Type of 'Income'. A new income detail record must be created with an effective date according to the date of the action given timely notice requirements. If VA does not respond, it will be necessary for the consumer to report the new amount. If benefit changes were not reported timely by the consumer, staff must obtain verification of the new VA benefit at the next scheduled review. In these situations, staff must evaluate the case for a potential overpayment.

C. CIVIL SERVICE AND OTHER BENEFITS

Although other benefits may also increase, there are no centralized actions planned to obtain the new information. Consumers are expected to report any changes in benefit levels according to the Change Reporting rules. Benefit changes in January must be reported and implemented no later than February 2020. If the benefit changes were not reported by the consumer timely, verification must be obtained no later than the next review. In these situations, staff must evaluate the case for a potential overpayment.

6. MEDICARE EXPENSE UPDATES

The standard Medicare Part B premium for 2020 will increase from \$135.50/month to \$144.60/month for persons who have less than \$85,000/year (\$170,000 for couples). Persons with higher incomes may pay a higher premium. Some individuals may continue to pay a reduced premium due to the 'hold harmless' provision that established a Medicare B premium below the standard. This was due to a low SSA COLA in 2017 that capped an individual premium increase to the amount of the SSA increase. Those individuals will see an increase in their Medicare B premium this year, but in rare instances, will not rise high enough to reach the standard.

Example: An individual with a premium of \$135.50 in 2019 would have a standard premium of \$144.60/month in 2020. Her Social Security was \$300 in 2017. She received a \$1 COLA in 2018. Because she only received a \$1 COLA increase, the Medicare premium cannot increase more than \$1. Resulting in a Medicare Part B premium of \$106.90 in 2018. Her 2019 Social Security increase was \$7.00. This means her Medicare Part B premium rose by \$7.00 to \$113.90, an amount below the standard. In 2020, her COLA increase is \$8.00, meaning her Medicare Part B premium will be \$121.90. Some beneficiaries will continue to pay a reduced amount of Medicare Part B premium for subsequent years.

Note that the premium for all persons on Buy-In is the standard premium of \$144.60/month regardless of the 'hold harmless' rules.

COLA Mass change will automatically adjust all Medicare Part B premiums to \$144.60 effective February 2020. The batch will replace any existing Medicare premiums below \$144.60 with the base premium amount. All batch records will be created as 'State Pay'.

Although the new amounts will be updated on all cases with an active Medicare Expense record, because the Medicare premium amount only impacts the budget when Medicare Buy-In is not anticipated, this is expected to impact few cases. Staff are required to verify the correct Medicare Part B premium is allowed the next time the case is touched.

The Mass Change process will not impact the Part D premium in KEES. However, staff must ensure the correct Medicare Part D premium is allowed. A current recipient is responsible for reporting any change in their Part D premium. The premium the individual will pay as a LIS eligible is allowable. When that amount is not available, the current premium less the Part D Benchmark is allowed. The benchmark is only allowed on initial applications where Buy-in has not yet occurred. In 2020, the Part D Benchmark is \$31.53/month. This is allowable beginning with the first month the individual is eligible for Medicaid or an MSP program. Staff are not expected to adjust this amount unless specifically reported by the consumer.

7. OTHER INSURANCE PREMIUM CHANGES – INCLUDING BC/BS OF KS PREMIUMS

Current recipients whose health insurance premium changes are responsible for reporting those changes. In most cases, those premium changes are allowable the month following the month of report. For new applicants, verification of the new premium must be obtained from the consumer. The new premium is generally allowable beginning the month following the month of report.

8. BATCH EDBC

The COLA Mass Change process will identify all Medical Program blocks impacted by the income and/or Medicare updates described above and process an automatic Batch EDBC. The Batch EDBC will run with a special EDBC run reason of 'COLA' for the month of February 2020. As a

result of the Batch EDBC, changes in coverage, including aid codes, base periods and cost sharing could result as follows:

A. NEW ELIGIBILITY

New or different eligibility could occur as a result of the Mass Change. This could mean a change in Aid Code and/or Benefit Plan. Careful attention should be given to any case experiencing a change in either. A report of all cases with suspect results will be provided.

Note: The batch should never produce brand new eligibility for any individual. For example, a person should not move from an FRI to a MEM due to the mass change. If cases are discovered where this appears to have occurred, a KEES incident is to be created.

B. CONTINUOUS ELIGIBILITY PERIOD

Program blocks with expired CE periods are being excluded from the batch EDBC, so new CE periods should not result from the COLA batch EDBC. For programs where all individuals are within an existing CE period, the Batch EDBC will execute, and any coverage change that occurs will follow existing KEES rules and is considered appropriate. Cases where coverage changes have occurred will be included on the suspect eligibility report.

C. COST SHARING

When income is recalculated, cost sharing responsibilities will likely change too. Cases could experience a change in spenddown amount, patient liability, client obligation, participant obligation, or premium. Cases with correctly entered Income Allocation, Medicare Expenses and other Medical Expenses may also impact cost sharing. New cost sharing amounts are calculated with the Batch EDBC and will be communicated to the member and LTC entity. Special attention should be given to any case that has a large cost sharing change. This is true of CHIP cases as well. Reports will be provided of all cases with unusual cost sharing changes.

D. DISCONTINUANCE

The COLA EDBC should never result in any member being discontinued. The batch is programmed so that a Read Only EDBC is the outcome for any case that resulted in a discontinued program or individual.

These cases require manual review. The Read Only EDBC is generally the result of incorrect or inconsistent data in KEES and the data must be corrected for the program to execute properly. Instructions provided for the Pre-COLA clean up can be used when processing these cases Post-COLA. If an actual discontinuance results, the person/program may be discontinued, but must be given timely and adequate notice. Reports of cases with Read Only EDBC are provided.

9. NOTICES

As part of the EDBC Batch process, a notice will be generated for any identified change. These will include changes in aid code and benefit plan as well as new base periods and changes in cost sharing. Notices are to be generated for the recipient as well as any appropriate Administrative Role. Notices will not be generated for any facility, HCBS MCO, or PACE entity (See Section 9.C. below).

A. SPECIAL PROCESSES

Special processes have been developed for notices generating from the COLA batch to provide for the following concerns:

1. The COLA is running over the weekend of December 20, 2019 and the change is effective February 2020; additional changes may take place in the interim that require action. Multiple notifications may confuse the recipient.
2. Notices that are generated from the batch may be incorrect and require changes.

B. DELAYED MAILING

Notices produced from the batch run will not be mailed immediately. Notices will be held for a later release to give staff time to review and delete any incorrect notices. Although COLA notices will generate and be viewable on the Distributed Documents page, notice mailing will occur the evening of January 14, 2020.

Notices generated from the batch will be placed in an 'ON HOLD' status. This will allow the user to review the notice and, if necessary, delete the notice and generate an appropriate notice. Staff will not be able to modify the COLA notice but must delete an incorrect notice. Once deleted, a change notice will usually generate upon running EDBC and, if the resulting notice is appropriate, a COLA-specific fragment shall be manually added to the notice. The Standard Text for Copy and Paste spreadsheet has been updated with the new fragment. Additional information regarding the specific steps will be provided in training material.

Staff will have through close of business January 14th, 2020 to delete any notice. After that date, any notice that is in On Hold status will be targeted for mailing. Staff cannot delete any notices after this date. Notices will be sent to the Central Printer for mailing. Mailing is expected to take several days but will be complete prior to the negative action deadline.

Note: Notices recreated through a 'normal' EDBC by eligibility staff will not be held. Those notices will be mailed according to the general mailing schedule.

C. FACILITY NOTICES

As indicated above, individual facility notices are not generated out of the batch. Facilities will be notified of any liability change through a special report. On or about December 23,

2019 a list of all recipients with a liability change as a result of Mass Change will be included on a special report. Each facility will receive a special report. The report will list the new liability for each resident and the effective date. A similar report will be provided for each MCO for HCBS and PACE cases. The reports will be mailed from Central Office. Because these reports are generated based on the LTC provider listed on the LTC Data Details page, it is critical that staff ensure the provider listed on the LTC Data Details page is correct.

10. JOURNAL

As part of the COLA batch process, an automated journal entry will be written to the case. The journal entry reads:

'As part of the COLA Batch process, updates were made to the COLA specific Data Collection records and a Batch EBDC was ran, accepted and saved'.

Staff should create journal entries for any additional action taken that may be related to COLA.

11. SPOUSAL IMPOVERISHMENT/INCOME ALLOCATION

The cost-of-living adjustments may have an impact on the amount of income being made available to a community spouse through the spousal impoverishment/income allocation provisions. If the community spouse is also an OASDI recipient, the increase could impact the amount being made available if the maximum permitted income allowance amount has not been reached. KEES will recalculate the amount of the allocation automatically but the result may not be correct. There are a number of issues to consider:

- a. The SSA income of the community spouse must be adjusted due to the COLA increase. As indicated in sections 3 and 4 above, logic was added to KEES with the August 2019 release that will update the SSA and SSI income to be applied during COLA to all case persons who are also LTC Dependents on an Active Member's high-dated LTC Data Detail record. In the event a case is missed with the mass COLA SSA update for 2020, staff are responsible for ensuring the community spouse, and other dependents, SSA income has been adjusted effective 02-01-20. The new amount can be obtained from EATSS, the case file or can be computed as per 4(e) above.
- b. If the community spouse has other income, staff should check the case record to determine if any new amounts have been reported and utilize those amounts in the budget. Other income must be verified at the next review.
- c. Cases where conversion clean-up has not been completed must be reviewed to ensure the correct information is recorded in KEES. The appropriate clean-up steps must be completed at this time. For cases that do not appear to have requested income allocation, it is appropriate for staff to assume this is correct unless a non-zero patient

liability/obligation results from the mass change. In these cases, it is necessary to research the case file, including OneNote, to determine if an allocation request was made.

- d. All cases potentially eligible for allocation must be manually reviewed by staff. A report will be provided.
- e. It is important to evaluate the income included with the final budget by viewing the LTC Allocation Detail page from the EDBC.
- f. The new spousal impoverishment standards, listed below, are implemented effective January 2020.
 - A. Maximum Community Spouse Income Allowance \$ 3,216.00
 - B. Excess Shelter Deduction \$ 277.20
 - C. Maximum Community Spouse Resource Allowance: \$ 128,640.00
 - D. Minimum Community Spouse Resource Allowance: \$ 25,728.00

12. PROGRAM SPECIFIC INSTRUCTIONS

A. PROTECTED MEDICAL GROUPS

KEES has been updated with new multipliers for the Protected Medical Groups for 2020. Cases that are correctly coded in KEES should be redetermined as part of the mass change. In addition, cases may be newly approved for a PMG group as part of the mass change. In these situations, any existing medically needy base period will end. These cases must be reviewed to ensure action is correct.

Cases where conversion clean-up has not been completed or with improper KEES coding may experience a change in coverage. This will generally require manual processing. Although the mass change results may have placed them in a new aid code, this result is incorrect in most cases. Staff must review these cases and ensure KEES is properly updated. For converted cases, information regarding the original determination will be necessary to complete this step.

For cases that may be new PMG, staff must follow the processes outlined in KDHE Policy Memo 2018-10-01, SSI Termination. Each case must be evaluated to determine if a new application is necessary and/or if contact with SSA is required.

A report, PMG Cases, that switched aid code or lost PMG coverage as a result of the Mass Change will be distributed.

B. MEDICARE SAVINGS PROGRAMS

For all MSP, the amount of the COLA increase is not included in any determination for the first quarter of the calendar year, or until the new poverty levels are implemented for the

calendar year. KEES accommodates this policy and will apply a disregard for any MSP budget determined through an online or batch EDBC.

New Resource limits for these programs are also effective January 1, 2020. The levels in KEES will be updated to reflect the new standards.

Single Person: From \$7,620.00 to \$ 7,860.00

Couple: From \$11,430.00 to \$11,800.00

Determinations for the benefit month of January 2020 and later will be made using the new resource standards.

C. WORKING HEALTHY

An increase in income does not impact a Working Healthy program except at review. A change was implemented in KEES with the August 2019 release to include logic preventing Working Healthy premiums from increasing unless the RE Run Reason or WKH Desk Review Run Reason are used. Because of this, changes to Working Healthy programs due to the COLA are not expected.

D. MEDICALLY NEEDED

Income and Medicare expense records will be updated for all Medically Needed cases. However, programs that do not have a current Medically Needed base are excluded from the EDBC portion of the batch. This is done to avoid establishing a new base period. Any program with an active Medically Needed program and a base period that expires on or before January 31, 2020 will appear on the 'Medically Needed Exclusion' report and must be reviewed. Staff must determine if a new base period is appropriate for these cases using existing rules and processes. Some programs may also be due for review in February.

Regarding the Medical RMT: Any program block for an MSP only program that has an RMT of 'Medical' would likely have a new base period established when the Batch EDBC runs. Staff must take extra care to ensure the correct RMT is in place when completing any processing to avoid a similar change in the future.

All other Medically Needed programs should be updated by the batch and a new spenddown amount will be established. The new amount will include the new SSA benefit as well as any Medicare premium updates.

It is possible that some programs will actually be redetermined in the Medically Needed group following the execution of Batch EDBC. If the case was properly coded in KEES, this would be a rare occurrence. Because of this, cases with a change to a Medically Needed program must be reviewed. These cases will appear on the report 'Suspect Cases'.

E. LONG TERM CARE

When the COLA processes a long term care program, the EDBC process will recalculate both eligibility and the Patient Liability/client obligation/participant obligation. Most individuals are eligible under a 300 Aid Code and will have a new obligation established with the COLA updates. A case is identified as LTC by the presence of an active LTC record on the LTC Data Details page in KEES. If the information on this page is inaccurate or incomplete, unexpected changes could result. Medical expenses listed on KEES will also impact the outcome of both the EDBC and any resulting liability change.

a. MN3 Aid Codes

For cases previously determined eligible under this group, the automated mass change process is expected to calculate correctly. Cases with incomes in excess of the 300% limit will recalculate and, if the cost of care listed on the LTC Data Details page exceeds the resulting liability, the case will continue eligibility with only a liability update. However, if, after the mass run, the liability is now greater than the cost of care, a change in coverage will likely result. These will most likely convert to a straight medically needy program. Staff must review each of these cases to ensure the action is correct.

Note: For these programs, it is critical that a Facility NOA/Form be sent by the worker as the special process noted above regarding the Facility Lists will not include cases that do not have a patient liability.

Cases newly determined eligible for the MN3 code are considered accurate if the cost of care on the LTC Data Details page is correct. However, because staff were not required to obtain this information for cases under 300% income threshold, it is highly unlikely the case is accurate. Therefore, it is necessary to review all cases newly determined eligible for MN3.

A list of cases that are impacted by either issue will be included on a report, "Cases with Income Over 300% SSI (MN3)". Staff must review these cases and make updates as necessary.

b. SSI Recipients

The following LTC Populations will be impacted by COLA:

- i. Some residents of state institutions or nursing facilities who receive SSI income may also have a patient liability if their income is above the \$62 PIL; primarily, residents of NF MH facilities who are between the ages of 22 and 64. The SSI income record will be updated, and eligibility will be recalculated for these individuals. Notices will

be generated automatically through the mass update process. Cases that come out of the COLA with a patient liability inconsistent with their situation will be included on a special report of “Suspect Cases”. Staff are expected to review these cases and ensure the eligibility outcome is correct based on the individual’s situation. In some cases, other coding issues, such as incorrect level of care codes, may be causing a problem. A report of suspect SSI cases in a Nursing Facility with an obligation is included.

- ii. Persons receiving HCBS or Community-Based PACE who receive SSI do not have a client obligation. With the increased HCBS PIL of \$1,157.00, effective September 2019, these individuals should not experience a change in share of cost as a result of the COLA. However, if an obligation was previously set, an underpayment must be considered.
- iii. Persons in a Temporary Care arrangement who receive SSI do not have a patient liability. An existing defect in KEES will determine a liability if income exceeds the appropriate PIL. These cases must be evaluated to ensure a patient liability is not established. In addition, if an obligation was previously set, an underpayment must be considered. A report, “SSI recipients in TC”, will be provided and must be processed.

F. SUBSTANTIAL HOME EQUITY

The Substantial Home Equity limit is increasing to \$595,000 effective January 1, 2020. Cases that are impacted by this increase are to be identified no later than the next review and appropriate action taken. A report of cases with home equity limits more than this amount will be provided.

13. CASES WITH UNEXPLAINED AID CODE OR COST SHARING CHANGES

For most cases, changes as a result of COLA will be relatively minor – small adjustments in patient liability or spenddown or a minor change in aid code. However, some cases will experience a significant change following execution of COLA. This may be a large change in cost share of hundreds, or even thousands of dollars, incorrect eligibility or unexplained notices. These changes usually indicate a problem with data on the system. As previously indicated, this could be the result of incomplete conversion clean up. However, several other factors may also cause a case to experience unexplained changes. Reports of various Suspect Cases are provided. When reviewing these cases, several items must be explored to determine if additional action is needed:

- a. A case that experienced data changes but EDBC was not executed. This could include cases with expired expenses, income changes, updated medical conditions, etc. If this is the first time EDBC was executed following those updates, changes to

coverage could be significant. In many instances, the resulting eligibility is correct based on the data. However, the notice of action may not fully explain the change. In these cases, it may be necessary to send a supplemental notice or make other adjustments.

- b. Incorrect RMT: If the RMT is set as Medical for a program, all programs will be considered and may actually be authorized from the mass change.
- c. Programs in Progress: Although the mass change will not execute against a pending program or person, programs that have incomplete process changes may be mass changed. These may include individuals transitioning living arrangements, undergoing a change brought on by the Protected Filing Date policy or other changes.

To mitigate this issue, KEES will exclude from processing all cases in the E and D State and Outstationed Worker Queue to avoid shifts in coverage prior to authorization. State staff must ensure they are considering the changes related to mass change when processing actions on or after December 23rd. A report will be provided.

14. OTHER CASES THAT REQUIRE MANUAL PROCESSING

The following sections outline additional cases that will require manual processing:

- a. Overridden Budgets: Programs with overridden budgets will be skipped by the COLA Batch. This means these programs will continue to receive coverage at the same level as prior to the mass change until the next time an online EDBC is executed. Overridden programs must be manually processed in order for the COLA increase and other changes to take effect. On programs where the override is no longer needed, simply reauthorizing coverage may be sufficient to properly work the case. However, if the override is still needed to ensure accurate results, the case must be manually processed. A report of cases with Overridden Budgets will be distributed, with high priority given to Long Term Care cases.
- b. Read Only/Skipped Cases: Cases may be skipped by the Mass Change if there are issues with the data on the case that will prevent the EDBC from executing. Staff must review these cases to determine the issue and make necessary corrections. However, coverage will continue at the same level as in place prior to the mass change. Manual processing is required, and a report will be provided. This report

will be combined with the report of discontinued cases noted in section 8(d), Discontinued Cases.

15. COLA CHANGES – COORDINATION WITH REVIEWS

January reviews (where coverage expires January 31, 2020 will be processed through the review batch on December 7, 2019. Notices and forms will be mailed to consumers and administrative roles as required. Passive and Super Passive reviews will be given updated information regarding benefits and coverage for February 2020. Recipients of Pre-Populated Reviews are instructed to return their review by January 1st or coverage will end January 31, 2020.

Because the review batch is processed before COLA mass change, reviews are processed using the old income amounts – prior to the COLA income update. When the COLA batch executes, and new income amounts are determined, a new notice may result. This will likely be different than the notice generated from the review batch.

The following outlines specific instructions for processing reviews associated with the COLA mass change.

A. PASSIVE REVIEWS

Passive Reviews are processed using the 2019 SSA income amounts, as the new income amounts will not have been added to the case prior to the Passive Review being processed in KEES. This could cause an increase in Passive Review Responses, as the consumers call to report the change in their SSA income amount.

If the only thing that the consumer is calling to report is a change in the SSA income amount, then it is not necessary to record this as a Passive Review Response because the income will be updated in the system for February 2020, processed, and a change notice sent to the consumer if applicable. A separate task is not required.

If other changes are reported in addition to the SSA income change, then it shall be recorded as a Passive Review Response. In KEES, the Document Status on the Review and IR record must be updated from 'Sent' to 'Received' in order for it to be reported as a Passive Review Response. All changes reported shall be processed in the month of February 2020 to be consistent with the COLA change. However, if a change is reported prior to the end of December that will result in a positive change to the consumer then it shall be processed in the benefit month of January 2020 to be consistent with current policy.

As indicated above, two notices may be generated for a consumer regarding February benefits. The COLA notice will be the last one sent out and will be the most current, so no action is necessary on these cases unless the consumer has a change or there is another issue with the case.

B. PRE-POPULATED REVIEWS

The Pre-Populated Review form will be generated prior to the COLA change and therefore will display the 2019 SSA income amount on the form. We expect consumers will report these changes when the review form is returned. However, COLA will still run to update income on programs where a Pre-Populated Review was sent. The following guidance shall be used when processing Pre-Populated Reviews.

a. COLA Notices and EDBC

In order to avoid an incorrect notice and EDBC result, both will be withheld from the COLA process executing the weekend of December 20th. Exclusions will apply to any programs that have a review due date prior to February 1, 2020.

A new accurate notice and EDBC for February 2020 will be produced when the review is processed. That notice and EDBC will consider the new SSA benefit amount and other COLA related changes. If the case is ultimately discontinued for failure to return a review, a notice regarding February coverage will be sent at that time.

b. Reviews Returned:

Currently, if the review form is returned, coverage will continue for all recipients on the program block. This is true even if the review has not yet been processed. In addition, the information currently in KEES will be sent to MMIS and used for downstream case processing.

It is necessary to prioritize January reviews for any case that is included in COLA Mass Change. A list of cases where a Pre-Populated Review has been returned will be provided.

C. PRE-POPULATED REVIEWS – REVIEW NOT RETURNED

Pre-Populated reviews that are not returned by the consumer will be automatically discontinued by the discontinuance batch on January 15. A notice will be sent to the consumer informing them of the termination.

16. GENERAL PROCESSING GUIDELINES

When accessing a case that has been impacted by COLA, it is important that staff evaluate the updates made by COLA. The following general steps are applicable to cases subject to manual processing where a specific Job Aid is not available as well as other situations where action is taken on a case updated by COLA:

- a. Evaluate changes in eligibility – the specific aid code(s) which the client was eligible as well as any change in coverage. Determine if the change is logical and is supported by the action. This information can be obtained from the Case Summary page.
- b. Evaluate the income page to determine if new or changing updated SSI records were created. If more recent information is available from EATSS or is in the case file, it is likely the SSI income record is incorrect and must be updated.
- c. Evaluate the income page to determine if the SSA income amount is correct. Again, if the 2020 amount was entered on the income page prior to COLA, the COLA batch will not apply the COLA increase.
- d. The Medical Condition page may have been updated by COLA if the individual was identified as an SSI recipient. This page should also be reviewed.
- e. Ensure all Post-Conversion Clean-Up has been completed on the case. Refer to the KEES User Manual for instructions. Pay special attention to LTC data and the PMG questions on the income detail page.
- f. Check the Medicare Expense page. COLA is updating the Medicare expense records for cases that have one of the two standard Part B premiums. These records are set with a payer of 'State'. This means the Medicare premium will not be allowed as an expense in the medical budget. If the worker is expecting an allowance, the payer must be adjusted.
- g. Ensure the Expense page correctly captures all expenses. If any expenses are listed on the Expense page, staff should refer to existing Job Aids.
- h. Check EDBC. Pay close attention to any base period as well as the eligibility that results. Staff may need to run EDBC to complete any changes made during the above review/clean up.
- i. Always check the Notice of Action. Any incorrect notice must be deleted prior to January 14, 2020 and a correct notice generated.
- j. Journal any actions – especially any changes that were made as part of the review.

17. SUMMARY – PROGRAMS EXCLUDED FROM COLA BATCH PROCESSING

The following is a complete list of all programs excluded from COLA Batch processing. Programs may be completely excluded or excluded only from one of the updates. Issues that require manual processing by staff are noted in Section 18 below.

- a. Medically Needy with an Expired Base Period: Programs that have a Medically Needy base period expiring on or before 1-31-20 will be updated. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. These cases will require manual processing.
- b. Programs with An Expired CE Period: Programs that have an individual with an expired CE period will be excluded from the batch to avoid an incorrect change in coverage. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Manual Processing is required.
- c. Work in Progress: State and Outstationed Worker Queue: Programs in the State E and D, State LTC, and Outstationed Worker queues will be updated. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Manual processing is required.
- d. Skipped/Read Only/Potentially Discontinued Programs: Any program or person that would have been discontinued by the batch EDBC will be excluded. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Coverage is to remain in effect until the program is reviewed. Some programs will indeed result in discontinuance following the review. Manual processing is required.
- e. Presumptive Eligibility Programs: Any program with an open PE Block is excluded from the Batch EDBC. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Manual processing is required.
- f. Pre-Populated Reviews: Programs where a Pre-Populated Review was sent for a program with a review due prior to February 2020 are withheld from Batch EDBC. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated.

18. SUMMARY - PROGRAMS THAT REQUIRE MANUAL PROCESSING

The following types of programs will require some form of manual processing. Reports will be provided as soon as available following the COLA run. In addition, Job Aids have been developed to assist staff with processing and will be available to staff when the report is distributed.

- a. Medically Needy with Expired Base Periods: These programs must be processed to determine if a new base period is appropriate. Staff should use existing processes

to determine if a new base period is to be established. Although the SSA income should be updated as part of the COLA process, staff should check the income budgeted on the case when processing. Staff shall use existing processes to complete this work. Necessary case work must be completed prior to medical card cutoff for February 2020.

- b. Protected Medical Groups: These programs are currently eligible for a PMG benefit or are potential PMG programs. For current PMG programs, staff must ensure a valid ES-3104.6 is on file and ensure all coding in KEES is accurate. The Job Aid, PMG and Using the ES-3104.6 is used for this process.
- c. Allocated Income: This report identifies all programs with a current income allocation. These cases must be reviewed to determine if the allocation is correct. This involves checking both the income of the LTC spouse as well as that of the Community Spouse and all dependents. The Job Aid, Income Allocation, is used for this process.
- d. Programs Where EDBC processed with Override: These programs will not execute properly out of the COLA Batch due to an Overridden EDBC. These programs must be reviewed and manually processed to ensure correct eligibility is provided. The Job Aid, EDBC Overridden, is used for this process. Programs at greatest risk for error are identified as high priority.
- e. Programs with Income Over 300% SSI (MN3): These are programs that are currently receiving coverage under the MN3 Aid Code or need to be considered for coverage under this category. These programs must be reviewed to ensure coding is correct, including the Cost of Care on the LTC Data Details page. The Job Aid, Income over 300%, is used for this process.
- f. Skipped/Read-Only/Potentially Discontinued Programs: Programs resulting in a discontinued or skipped EDBC are processed as Read Only by the batch. This means the program will continue at current benefit levels until the next time it is touched. Many of these programs have inconsistent or incorrect data in KEES that is causing the problem. These programs should be reviewed to determine the issue. Some programs will indeed result in discontinuance following the review. Manual processing is required. Several Job Aids have been developed for this clean up.
- g. SSI Programs in Temporary Care: These programs are incorrectly determined with a liability or obligation. Staff must review and process to ensure the program does not have a liability. Use the Job Aid SSI Cases in TC.
- h. SSI Programs That Appear to be Losing SSI: This report identifies programs that appear to be losing SSI based on information received from SSA. Staff must research these programs and take appropriate action. These programs will continue

to receive coverage at previous levels until action is taken. Note that information provided with KDHE Policy Memo 2018-10-01, SSI Termination, changes the process used in previous years. Use the Job Aid, SSI Cases that Appear to Be Losing SSI.

- i. Suspect Cases: Those with unexplained aid code changes, large liability fluctuations or other suspect results from the Mass Change. All cases must be researched to determine if changes must be processed. Various reports may be provided. Use the Job Aid, Suspect Cases.
- j. MediKan Programs: MediKan programs that switch to SSI are considered correct because the SSI information comes directly from Social Security. However, programs with changes to other Aid Codes or a Share of Cost must be reviewed. Use the Job Aid, MediKan Cases.
- k. State Queue Programs: These programs were withheld from the Batch EDBC because action is necessary by State Staff. Process according to existing instructions. Note: a special report will not be provided as existing processes will be used to identify these cases.
- l. Outstationed Worker Cases: These cases were withheld from the Batch EDBC because action is needed by State Staff. Process according to existing instructions. Note: a special report will not be provided as existing processes will be used to identify these cases.
- m. SSI Programs in an NF with an Obligation: The EDBC batch will redetermine a patient liability for these programs and generate a notice. However, programs with inconsistent results will require manual review. Staff must ensure the program is processed correctly. Use the Job Aid, SSI Cases in an NF with an Obligation.
- n. Family Medical Suspect Cases: This is a list of Family Medical programs that have a suspect change - generally a suspicious share of cost or aid code change. These programs must be reviewed to determine if the action was correct and rework as necessary. Use the Job Aid Family Medical Suspect Cases.
- o. Railroad Retirement Recipients: A report of all individuals who have Railroad Retirement benefits currently budgeted was sent to the RRB. Upon receiving updated information from RRB, the new income amounts will be provided to staff to update the budget. This information is not expected to be available until late January, so these changes will be budgeted for March eligibility.
- p. VA Benefit Recipients: A report of all individuals who have Veterans Benefits currently budgeted was sent to the VA. Upon receiving updated information from VA, the new income amounts will be provided to staff to update the budget. As VA

has not acknowledged the request to date, the information is not expected to be available through a centralized process. Updates are dependent upon client report.

- q. Pre-Populated Review Programs: A report of programs with a Pre-Populated Review that have been returned but not processed will be issued around January 15. These programs should be prioritized when processing reviews that are due in January to ensure the new COLA benefit amount is budgeted.

19. KDHE FORM UPDATES

The following forms and other documents are being updated as a result of the COLA. New versions of these documents will be available on the KDHE Eligibility Policy website prior to the COLA batch run.

- a. ES-3014.6 (Pickle Worksheet)
- b. ES-3162 (Resource Assessment and Allowance Determination)
- c. ES-3163 (Income Allowance Determination)
- d. F-8 (Kansas Medical Assistance Standards)
- e. KC-7000 (300% Income Chart)
- f. KC-2700 (Medicare Savings Program Brochure)
- g. KC-2700S (Medicare Savings Program Brochure – Spanish)
- h. Division of Assets – Fact Sheet
- i. Overview of Programs for Elderly and Persons with Disabilities

20. CONCLUSION

For questions or concerns related to this document, please contact one of the KDHE Medical Policy Staff listed below.

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